GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1059
ANSWERED ON:20.08.2007
SUGAR MILLS
Channappa Shri Kunnur Manjunath;Chaudhary Shri Pankaj;Gadakh Shri Tukaram Gangadhar;Narhire Smt. Kalpana Ramesh

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the total number of sugar mills at present in the country, State-wise;

(b) the total number of mills lying closed or declared sick in each of the States as on date;

(c) whether the Government is considering any plan to revive these mills;

(d) if so, the details thereof and the time by which it is likely to be implemented;

(e) whether any special package was extended to the sugar mills during the last three years; and

(f) if so, the details thereof, State-wise?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): A statement indicating the number of sugar mills, state-wise, as on 31st July, 2007 in the country is enclosed at Annexure-I.

(b): A statement indicating the number of mills, state-wise, which did not work during 2006-07 is enclosed at Annexure-II. Another statement indicating the number of sick sugar mills, state-wise, is enclosed at Annexure-III.

(c)&(d): It is the responsibility of the entrepreneur to take steps to reopen/revive the closed mills. The sick sugar mills belonging to private and public sectors are covered under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). Such sugar mills are required to make a reference to the Board for Industrial and Financial Reconstruction (BIFR) whenever their accumulated losses become equal to or more than the net-worth. If the rehabilitation schemes sanctioned by BIFR provide for any relief/concession from this Ministry, the scheme is considered as per the extant guidelines. As regards the Cooperative sugar mills, a Committee has been constituted by the Ministry of Consumer Affairs, Food and Public Distribution (Department of Food and Public Distribution) to consider the proposals of the potentially viable sick sugar mills of this sector. No such proposal has been received by the Committee during the last three seasons.

(e)&(f): During the last three years, the Government has announced special package for cooperative sugar mills under which the term loan of the cooperative sugar mills were restructured/rescheduled and rate of interest was reduced to 10% per annum.